

# MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

## PART I: GENERAL INFORMATION

<b>Type of Requestor:</b> (x) HCP ( ) IE ( ) IC	<b>Response Timely Filed?</b> ( ) Yes (x) No
Requestor's Name and Address Vista Medical Center Hospital 4301 Vista Road Pasadena, Texas 77504	MDR Tracking No.: M4-03-A580-01
	TWCC No.:
	Injured Employee's Name:
Respondent's Name and Address Twin City Fire Insurance Company 9020 II Capital of Texas Highway, Suite 555 Austin, Texas 78759 Box 27	Date of Injury:
	Employer's Name: Simplified Employment Services
	Insurance Carrier's No.: YBUC 25641

## PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
09/27/02	10/02/02	Surgical Admission	\$91,887.20	\$6,839.15

## PART III: REQUESTOR'S POSITION SUMMARY

"The Carrier is allowed to deduct any personal items and may only deduct non-documented services and items and services, which are not relayed to the compensable injury, At that time, if the total audited charges for the entire admission are below \$40,000, the Carrier may reimburse at a 'per diem' rate for the hospital services. However, if the audited charges for the entire admission are at or above \$40,000, the Carrier shall reimburse using the 'Stop-Loss Reimbursement Factor' (SLRF). The SLRF of 75% is applied the 'entire admission'."

## PART IV: RESPONDENT'S POSITION SUMMARY

Carrier did not respond to the dispute.

## PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

This dispute relates to inpatient services provided in hospital setting with reimbursement subject to the provisions of Rule 134.401 (Acute Care Inpatient Hospital Fee Guideline). The hospital has requested additional reimbursement according to the stop-loss method contained in that rule. Rule 134.401(c)(6) establishes that the stop-loss method is to be used for "unusually costly services." The explanation that follows this paragraph indicates that in order to determine if "unusually costly services" were provided, the admission must not only exceed \$40,000 in total audited charges, but also involve "unusually extensive services."

After reviewing the information provided by the provider, it does **not** appear that this particular admission involved "unusually extensive services." Accordingly, the stop-loss method does not apply and the reimbursement is to be based on the per diem plus carve-out methodology described in the same rule.

The total length of stay for this admission was 5 days (5 days for surgical). Accordingly, the standard per diem amount due for this admission is equal to \$5,590.00(5 times \$1,118.00). In addition, the hospital is entitled to additional reimbursement for (implantables and 5-day hospital stay) as follows:

Carrier's total reimbursement of the five-day admission is \$15,224.05.

Provider charged \$75,152.00 per the UB-92 for the implantables.

Implantables: Invoice totals submitted by provider = \$17,516.50

Carrier reimbursement of implantables was \$9,634.05.

The implantables are to be reimbursed per rule 134.401(c)(4)(A) at cost plus 10%. Invoice total is \$17,516.50 x 10% = \$19,268.15.

The total reimbursement by the carrier for the implantables and 5 day per diem stay is \$22,063.15. (\$22,063.15 - \$15,224.05 already paid by the carrier = \$6,839.15 additional reimbursement)

Therefore, based on the facts of this situation, the parties' positions, and the application of the provisions of Rule 134.401(c), we find that the health care provider is entitled to an additional reimbursement amount for these services equal to \$6,839.15.

#### PART VI: COMMISSION DECISION

Based upon the review of the disputed healthcare services, the Medical Review Division has determined that the requestor is entitled to additional reimbursement in the amount of **\$6,839.15**. The Division hereby **ORDERS** the insurance carrier to remit this amount plus all accrued interest due at the time of payment to the Requestor within 20-days of receipt of this Order.

Ordered by:

Michael Bucklin

03/16/05

Authorized Signature

Typed Name

Date of Order

#### PART VII: YOUR RIGHT TO REQUEST A HEARING

Either party to this medical dispute may disagree with all or part of the Decision and has a right to request a hearing. A request for a hearing must be in writing and it must be received by the TWCC Chief Clerk of Proceedings/Appeals Clerk within 20 (twenty) days of your receipt of this decision (28 Texas Administrative Code § 148.3). This Decision was mailed to the health care provider and placed in the Austin Representatives box on \_\_\_\_\_. This Decision is deemed received by you five days after it was mailed and the first working day after the date the Decision was placed in the Austin Representative's box (28 Texas Administrative Code § 102.5(d)). A request for a hearing should be sent to: Chief Clerk of Proceedings/Appeals Clerk, P.O. Box 17787, Austin, Texas, 78744 or faxed to (512) 804-4011. A copy of this Decision should be attached to the request.

The party appealing the Division's Decision shall deliver a copy of their written request for a hearing to the opposing party involved in the dispute.

**Si prefiere hablar con una persona in español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**

#### PART VIII: INSURANCE CARRIER DELIVERY CERTIFICATION

I hereby verify that I received a copy of this Decision and Order in the Austin Representative's box.

Signature of Insurance Carrier: \_\_\_\_\_ Date: \_\_\_\_\_